

**USACE FINANCE CENTER  
BIWEEKLY REPORT  
PERIOD ENDING 12 DECEMBER 2003**

**I. CEFMS:**

A. To meet a goal of the USACE 2012, we are developing a process for cross charging labor between districts without the use of and transmittal of government orders. A Project Development Team has been established and has a goal of developing the process, to include numerous code changes in multiple CEFMS modules, for release in FY 05.

B. As a result of new HQUSACE policy, we are modifying CEFMS to remove the logic that creates and processes dispute labor charges. We will begin testing the change soon. The CEFMS modification will remove the labor costing function from the time and attendance entry process; i.e., after the labor transactions are processed by the labor distribution function, we will create a report of any negative funding balances, and send the report to the appropriate supervisor. This modification to CEFMS will put funds management at the managers' level, rather than as part of the timekeepers' function. Time entry processes will then flow much more quickly because the costing routine will have been deleted.

C. We provided a 30 Nov 03 subsidiary ledger file to DoD IG auditors involved in audit of USACE buildings and structures. This subsidiary file contained detailed data representing 39,525 capitalized buildings and structures with a book cost of \$30.9B. The subsidiary was reconciled with general ledger account balances with no variances. The subsidiary represents all buildings and structures for USACE as of 30 Nov 03 and was provided to the auditors on 1 Dec 03.

D. We released a new CEFMS screen to be used in the Corps to Corps Billing/Payment Process. The new screen will be used to bulk certify payments on government order bills between USACE activities. Bills that were previously transmitted from the requesting data bases can now be certified all at one time on the performing data base. Prior to this change, each of the bills had to be queried and certified separately. Certifying Officials can also view payment address and government order information in this screen. Use of this new screen will result in a major savings of labor hours required each month for this process.

E. We completed a major revision to the Military Cost of Doing Business Report. This report, used by HQUSACE during the quarterly Command Management Review (CMR), previously classified Military expenses based on the type of funds received. The revised report uses the 'Initial Source' appropriation information for reimbursable funds, which may be different than the 'Source' appropriation - which was used previously. The change ensures that results displayed on the Cost of Doing Business report are consistent with the way projects subject to Supervision & Administration charges are costed and reported.

F. We modified CEFMS to disburse foreign fund contracts. The modification was specifically developed in support of the Republic of Korea funds. CEFMS can now disburse foreign fund contract payments. This effort excludes fluctuation from our current foreign currency process.

G. We completed modification of the Civil Schedule 9; Report on Receivables Due From Public. With this modification, the report will no longer report unpaid receivables on cancelled or inactive appropriations. This modification to the report will help ensure consistent reporting of open receivables with other upward reports to the Treasury.

H. We modified the Prompt Pay report, which provides a report of interest payments and lost discounts, to exclude simple interest payments made under the provisions of the Continuing Clause contract payment terms. Payments of simple interest on these types of payments are not subject to Prompt Pay regulations and therefore are not to be reported on the Prompt Pay report.

I. We enhanced the Receipt Voucher Certification screen by requiring a written justification when the payment certification date is more than 7 days in advance of the contractual payment due date. The written justification, required by OMB Circular A-125, will provide supporting documentation within CEFMS, which is available to auditors for them to use when determining whether a payment was authorized outside of prompt pay regulations and time frames.

## II. PROBLEM REPORTS/IMBALANCES:

### A. Open problem report inventory:

	<u>This Report</u>	<u>Last Report</u>
Total Problems	848	848
Priority #1 Problems	98	106

Received 136 new problem reports and completed 136 problem reports.

### B. Database Imbalances on our 61 Production Sites:

<u># of Imbalances</u>	<u>This Report</u>	<u>Last Report</u>
None	31	53
One	5	4
Two	2	0
Three	5	0
Four	11	1
Five	2	1
Six	1	0
Seven	1	0
Twelve	1	2
Fourteen	1	0
Thirty-Four	1	0

### III. ACCOUNTING OPERATIONS:

#### A. NUMBER AND LOCATION OF ONBOARD PERSONNEL:

<u>LOCATION</u>	<u>ONBOARD</u>
MILLINGTON	248
HUNTSVILLE	23
USACE HQ	1
<u>DA INTERN</u>	<u>4</u>
TOTAL	276

#### B. DISBURSING WORKLOAD DATA:

<u>PAYMENT</u>	<u>CURRENT MONTH</u> <u>Dec 01 - 09</u>	<u>YEAR TO DATE</u> <u>Oct 01 - Dec 09</u>
BY CHECK:		
Checks Issued	4,423	28,248
Percent of Total	12%	13%
Dollar Amount	\$37,296,404	\$221,902,703
BY EFT:		
Transfers Made	16,979	109,365
Percent of Total	88%	87%
Dollar Amount	\$422,310,867	\$3,017,985,785

### IV. OTHER UFC ISSUES:

A. We started the DoD Information Technology Security Certification Accreditation Process (DITSCAP) for the UFC Local Area Network (LAN). The contractor began work on 18 November 2003 with initial evaluation and data gathering. The Phase I work of this process will be ongoing during December with the first In-Process Review scheduled for 17 December.

B. On 21 November 2003, we completed the audit of paid PCS vouchers for the third quarter of FY03. There were 847 vouchers in the sample audited. We continue to maintain these audits in a current status with 40% of the sampled vouchers for the fourth quarter of FY03 also completed at this time.

C. We have begun the Information Technology Investment Portfolio System (ITIPS) update for the FY05 budget cycle. On 19 November 2003, we participated in the CECI VTC on the new version of the ITIPS software and have now installed this new software on all applicable PCs. We have begun reviewing funding requirements for CEFMS and CEEMIS, which must be entered in ITIPS and will compile and record all required data by the suspense date of 19 December 2003.

D. We are requesting authorization for a new restricted Limited Depository Account (LDA) in Japan. The account will be used to hold performance bonds in Japanese Yen at a fixed conversion rate to avoid gains or losses due to currency fluctuations. When the applicable contract is completed and the bond funds are returned to the vendor, the same amount of Yen received will be reimbursed to the vendor.

E. The UFC has reported several large dollar, over \$50 million to one vendor, payments to the Treasury in accordance with TFM, Part 6, Chapter 8500. These funds are being disbursed in support of the mission in Iraq.

F. We have provided procedures to USACE activities for preparation of IRS Forms 1099S and 1099-Miscellaneous for CY 2003 (due in January 2004). We have asked all activities to review their CEFMS Vendor Tables by 9 Jan 04, to ensure that the Taxpayer Identification Number (TIN) and mailing address are correct for all vendors eligible to receive an IRS Form 1099-Misc for CY 2003. We also asked that the activities review real property transactions for Calendar Year 2003 to determine if the transactions must be reported to Internal Revenue on IRS Form 1099S. Any real property transactions that should be reported will be included on a spreadsheet and returned to the Finance Center by 12 Jan 04.

G. Our Disbursing Division is working with SWD, HNC and TAC concerning receipt of or payment of Iraq/Coalition Provisional Authority (CPA) funds. The disbursing staff is ensuring that proper codes are entered on the customer orders to indicate Iraq funding. When CPA bills are issued, they require special handling to ensure proper processing and payment. The bills and supporting documentation are scanned and emailed directly to CPA personnel in Iraq. Funds are then received via wire transfer.

H. The UFC Travel Division is drafting guidance to be issued to Corps of Engineers employees that have been assigned to escort foreign visitors by HQ USACE. The escort guidance is to ensure the escort is familiar with allowable expenses and how to complete their travel reimbursement voucher and do not have to pay out-of-pocket expenses for the VIP visitors.

I. The UFC Accounts Payable Division met on 4 Dec 03, to discuss the proper coding of utilities in order to reduce the number of early payments. Based on audit findings, regulatory guidance and employee feedback, the Division is outlining procedures to ensure that CEFMS utility payments reflect the correct information without any manipulation of the data. UFC will seek the assistance of the USACE activities to ensure the accurate recording and prompt input of receiving reports, correction of improper payment terms, and streamlining the mailing procedures to allow sufficient processing time for the payments.

J. Linda Stoutenburgh and I were in Tampa, Florida 2-4 December to assist CERM-F develop and re-institute the Corps of Engineers Financial Training course under the Professional Development Support Center PROSPECT Program. Linda and I will both be instructors in the new course with plans to offer the first course in August 2004.

K. On 1-2 December 2003, Joseph Whitaker, member of the Federal Services Impasses Panel (FSIP), met with management officials of the Finance Center and representatives of the International Federation of Professional and Technical Engineers (IFPTE), Local 259 Accountants to resolve fifteen outstanding issues which were at impasse in negotiations for an initial collective bargaining agreement. All fifteen issues were resolved. The collective bargaining agreement is scheduled to be signed on 17 December 2003 and will then be forwarded to Field Advisory Services for agency review. Field Advisory Services has thirty days to complete the review.